

STATE OF ILLINOIS

DEPARTMENT OF INSURANCE



IN THE MATTER OF THE REVOCATION OF LICENSING AUTHORITY OF:

Michael W. Janssen
13080 Prairie Trail
Carlinville, IL 62626

And

Janssen Agency
305 E. Elm Street
Gillespie, IL 62033

ORDER OF REVOCATION

I, Deirdre K. Manna, Acting Director of Insurance of the State of Illinois, do hereby revoke the license of Michael W. Janssen (Licensee) and the license of Janssen Agency (Business Entity) to take effect 30 days from the date of mailing this Order pursuant to Section 500-70 of the Illinois Insurance Code (215 ILCS 5/500-70).

Based upon an investigation and review of the Licensee and Business Entity by the Producer Section of the Illinois Department of Insurance, the Department alleges that:

- A. The examination revealed that for the time period November 29, 2002 through January 15, 2003, the balance in the Licensee's Premium Fund Trust Account (PFTA) was deficient in respect to those premium monies under examination (i.e. fell below the total of those premium deposits less the premium amounts forwarded to the companies) on eight (8) separate days during that period of time. The review pertained to premiums collected from ten (10) consumers chosen at random.

Therefore, the Licensee and Business Entity have misappropriated premium monies required to be held in a fiduciary capacity in violation of Section 500-115 of the Illinois Insurance Code (215 ILCS 5/500-115), which is a ground for revocation pursuant to Section 500-70(a)(4) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(4)). By these actions, the Licensee and Business Entity have violated an insurance law and demonstrated incompetence, untrustworthiness and financial irresponsibility, which are grounds for revocation pursuant to Section 500-70(a)(2) and (8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(2) and (8)).

- B. The Licensee and Business Entity received premium monies on December 23, 2002, February 27, 2003 and May 29, 2003, totaling \$2,539.00, from two (2) consumers. Erie Insurance Group did not receive the premium monies.

Therefore, the Licensee and Business Entity have improperly withheld premium monies due an insurance company in violation of Section 500-115 of the Illinois Insurance Code (215 ILCS 5/500-115), which is a ground for revocation pursuant to Section 500-70(a)(4) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(4)). By the above actions, the Licensee and Business Entity have violated an insurance law and demonstrated incompetence, untrustworthiness and financial irresponsibility, which are grounds for revocation pursuant to Section 500-70(a)(2) and (8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(2) and (8)).

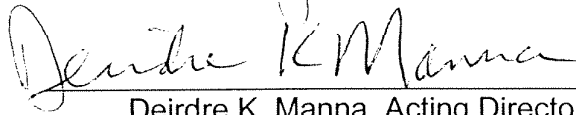
- C. A sample taken at the time of the examination revealed the Licensee and Business Entity failed to return premiums to eight (8) insureds. Furthermore, the Licensee and Business Entity did not obtain prior written authorization from the insured to hold a credit balance on their account in excess of fifteen days, nor had monthly written notification been sent to the insureds advising them of the credit balance due them in violation of 50 Ill. Adm. Code 3113.60 (a) and (b). By these actions, the Licensee and Business Entity have violated insurance rules and demonstrated incompetence, untrustworthiness and financial irresponsibility in the conduct of business, which are grounds for revocation pursuant to Section 500-70(a)(2) and (8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(2) and (8)).

- D. The Licensee and Business Entity failed to maintain a positive running balance in the PFTA reflected in the disbursement register after each deposit or disbursement entry in violation of 50 Ill. Adm. Code 3113.50 (h). Therefore, the Licensee and Business Entity have violated an insurance rule, which is a ground for revocation pursuant to Section 500-70(a)(2) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(2)). Additionally, the Licensee and Business Entity's PFTA bank statements contained negative balances, which further demonstrates incompetence and financial irresponsibility, which are grounds for revocation pursuant to Section 500-70(a)(8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(8)).
- E. The Licensee and Business Entity issued a check from the PFTA in the amount of \$2,820.81, which represented payment of a claim. By using the PFTA as a claim payment account, the Licensee and Business Entity have violated 50 Ill. Adm. Code 3113.40(i). Therefore, the Licensee and Business Entity have violated an insurance rule and demonstrated incompetence and financial irresponsibility, which are grounds for revocation pursuant to Section 500-70(a)(2) and (8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(2) and (8)).
- F. The Licensee and Business Entity issued fraudulent I.D. cards to insureds, which represented Patrick Insurance Group as agent and Stephen A. Milne as authorized representative for Erie Insurance Group. Stephen A. Milne is no longer and was not the authorized representative during the time the policy was active. By the above actions, the Licensee and Business Entity have used fraudulent and dishonest practices and demonstrated incompetence, untrustworthiness and financial irresponsibility in the conduct of business, which are grounds for revocation pursuant to Section 500-70(a)(8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(8)).
- G. The Licensee failed to respond to three (3) telephone messages and a first class letter from the Department regarding contacting Erie Insurance Group and issues related to the examination conducted by the Department in February 2004. Therefore, the Licensee and Business Entity failed to facilitate and aid the Director in violation of Section 500-110(b) of the Illinois Insurance Code (215 ILCS 5/500-110(b)). By these actions, the Licensee and Business Entity have violated an insurance law and demonstrated incompetence and untrustworthiness, which are grounds for revocation pursuant to Section 500-70(a)(2) and (8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(2) and (8)).

This Order of Revocation shall take effect 30 days from the date of mailing but shall be stayed if within the 30-day period a written request for hearing is filed with the Director. Any correspondence concerning this Order of Revocation shall be addressed to the Department of Insurance, Producer Section, 320 West Washington Street, Springfield, Illinois 62767-0001.

50 Ill. Adm. Code 2402 governs hearings before the Department of Insurance. Section 408(5)(a) of the Illinois Insurance Code (215 ILCS 5/408) and 50 Ill. Adm. Code 2402.270(d) provide that the costs of a hearing may be assessed against the parties.

IN WITNESS WHEREOF, I have hereunto
subscribed my name and affixed the Official
Seal of the Department of Insurance in the
City of Springfield, State of Illinois, this
17th day of June, A.D., 2004.


Deirdre K. Manna, Acting Director

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